



DAMES & MOORE

A PROFESSIONAL LIMITED PARTNERSHIP

500 MARKET PLACE TOWER, 2025 FIRST AVENUE, SEATTLE, WASHINGTON 98121
(206) 728-0744

July 12, 1990

Alaska Marine Lines
18000 Pacific Highway South #800
Seattle WA 98188

Att: Mr. Bob Strong

Services Agreement
Environmental Consulting Services
7100 2nd Ave SW
Seattle, Washington

Dear Bob:

As you requested on May 30, 1990, Dames & Moore will provide environmental consulting services to Alaska Marine Lines during the removal of underground storage tanks at their property located at 7100 2nd Avenue SW, Seattle, Washington. Our scope of work includes the following activities:

1. A soil vapor survey will be conducted prior to the excavation of the tanks to evaluate the potential for large-scale soil contamination associated with existing and former underground storage tanks. The results of the survey will be used to determine appropriate procedures for future tank excavations.
2. Written notifications prepared by the excavation contractor to local and/or state agencies concerning the tank excavations will be reviewed for completeness.
3. Tank excavation activities will be monitored to ensure that the closures are conducted in accordance with generally accepted engineering principles as well as state and local regulations.
4. Soil samples will be collected to document that the tank excavations are clean and/or how contaminated the soil is.
5. Proper disposal of the tank rinsates and equipment will be confirmed.
6. Soil and/or ground-water mitigation activities, if required, will be designed and implemented.
7. A closure report will be provided that fulfills local, state, and federal regulations.



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The schedule for the performance of this project will be coordinated with Alaska Marine Lines. Dames & Moore will make every effort to minimize disruptions to site operations.

Because the exact level of effort that will be required for this work cannot be estimated at this time, we will provide our services on a time and materials basis. Prior to the implementation of any task for this project, we will provide Alaska Marine Lines with the anticipated schedule and the estimated costs that will be incurred during the performance of the task. Table 1 provides typical labor rates for Dames & Moore personnel.

Terms and Conditions

Our work will be conducted in accordance with our Schedule of Charges and the General Conditions dated July 11, 1990 which are attached and form part of this Services Agreement.

If this proposal is satisfactory, please complete the attached authorization statement to indicate your approval to begin work. One copy of this Agreement is provided for your files. This Agreement and its attachments will constitute the contractual agreement between Alaska Marine Lines and Dames & Moore for the services outlined above.

We appreciate this opportunity to provide consulting services to Alaska Marine Lines. We look forward to working with you on this challenging project.

Sincerely,

DAMES & MOORE

Susan C. Kent
Project Manager

Attachments:

Schedule of Charges

Appendix

General Conditions - July 11, 1990



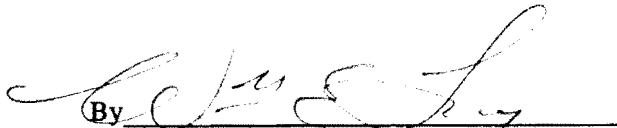
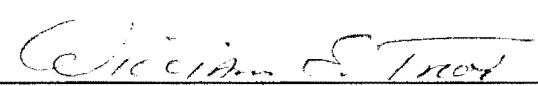

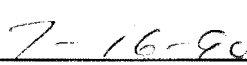
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AUTHORIZATION

The scope of services and contractual conditions as described in this proposal are acceptable and Dames & Moore is authorized to proceed.

By		
	Signature*	Printed
For		
	Company	Date

*Individual with authority and company responsible for payment of Dames & Moore services.

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TABLE 1
TYPICAL LABOR RATES
DAMES & MOORE

POSITION	TYPICAL HOURLY RATES
Project Director	\$120-150
Project Manager	\$80-120
Field Manager	\$65-80
Project Geologist/Engineer	\$50-80
Staff Geologist/Engineer	\$40-55
Drafter	\$40-55
Word Processor	\$30-45
Clerical	\$30-45

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ESTIMATED COST
SOIL VAPOR SURVEY
ALASKA MARINE LINES

FIELD INVESTIGATION

D&M Labor	\$2,000
Equipment, Misc. Supplies	1,500

REPORT PREPARATION

D&M Labor	1,800
Equipment, Misc. Supplies	<u>500</u>

SUBTOTAL	5,800
CJCC (2.5%)	<u>145</u>

TOTAL	\$5,945
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SCHEDULE OF CHARGES UNITED STATES

The compensation to Dames & Moore for our professional services is based upon and measured by the following elements, which are computed as set forth below.

1.0 PERSONNEL CHARGES

1.1 Charges for employees are computed by multiplying the total direct salary cost of our personnel (expressed as an hourly rate) by a factor of 2.5. The total direct salary cost shall be a sum equal to the direct payroll cost (computed by dividing the annual payroll cost by 1,940 hours) plus 40 percent of same to cover payroll taxes, insurance incident to employment, sick leave and other employee benefits. The time of a partner or retained consultant devoted to the project is charged at an assigned billing rate.

1.2 The 40 percent employee benefit factor is used for work performed by personnel assigned to offices in the United States. For work performed by personnel in our offices in other countries, it will vary depending on the employee benefits paid in the particular location.

1.3 When outside the United States, employees' and partners' total direct salary cost will be increased by the premium customarily paid by other organizations for work at that location.

1.4 Time spent in either local or inter-city travel, when travel is in the interest of the work, will be charged for in accordance with the foregoing schedule; when traveling by public carrier, a maximum charge of eight hours per day will be made.

2.0 EQUIPMENT CHARGES

2.1 Computer control of project costs will be billed at a rate of \$1.25 per each \$50 of job charges or fraction thereof.

2.2 Other Dames & Moore equipment, if used, will be billed at the rates noted in the Appendix.

3.0 OTHER SERVICES AND SUPPLIES

3.1 Charges for services, equipment and facilities not furnished directly by Dames & Moore, and any unusual items of expense not customarily incurred in our normal operations, are computed as follows:

3.1.1 Cost plus 10 percent includes shipping charges, subsistence, transportation, printing and reproduction, long distance communication, miscellaneous supplies and rentals.

3.1.2 Cost plus 15 percent includes surveying services, land drilling equipment, construction equipment, testing laboratories, contract labor.

3.1.3 Cost plus 25 percent includes aircraft, watercraft, helicopter and marine drilling equipment and operation.

SCHEDULE OF CHARGES – APPENDIX

Dames & Moore

EQUIPMENT

AUTOMOTIVE

Vehicle, per hour (maximum of 8 hours per day)	\$ 4.00
Mileage, per mile	\$.25

SOIL

Soil sampling and compaction control equipment, per shift hour	\$ 5.00
Soil sample rings and containers, per sample	\$ 5.00

LABORATORY

Soil, water and biologic testing equipment – per employee, per hour	\$ 10.00
Dynamic Testing Equipment will be quoted as required	

DIVING

SCUBA diving, per diver, per day	\$100.00
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REPORT PREPARATION

Word Processing Equipment, per hour	\$ 10.00
In-House Reproduction, per sheet	\$.10

ENGINEERING COMPUTER SERVICES

The use of Dames & Moore's in-house computer facilities will be charged in accordance with the "Engineering Computer Applications Billing Schedule" (attached). Computer time and other services provided by outside vendors will be charged at cost plus 15%. Terminals, plotters, forms, and computer supplies will be charged at cost plus 15%.

FIELD

Because of the varied nature of equipment, location and use, these rates will be quoted as required.

GENERAL CONDITIONS

July 11, 1990

1.0 BILLING

1.1 Invoices will be issued every four weeks, payable upon receipt, unless otherwise agreed.

1.2 Interest of 1 1/2% per month (but not exceeding the maximum rate allowable by law) will be payable on any amounts not paid within 30 days, payment thereafter to be applied first to accrued interest and then to the principal unpaid amount. Any attorney's fees or other cost incurred in collecting any delinquent amount shall be paid by the Client.

2.0 WARRANTY AND LIABILITY

2.1 Dames & Moore warrants that its services are performed, within the limits prescribed by its Clients, with the usual thoroughness and competence of the consulting profession, in accordance with the attached standard for professional services. No other warranty or representation, either expressed or implied, is included or intended in its proposals, contracts, or reports.

2.2 Dames & Moore's liability shall be limited to injury or loss caused by negligence or willful misconduct of Dames & Moore, its subcontractors, and/or agents hereunder. Dames & Moore has neither created nor contributed to the creation or existence of any hazardous, radioactive, toxic, irritant, pollutant, or otherwise dangerous substance or condition at the site.

2.3 Dames & Moore's liability for injury or loss arising from (1) professional errors or omissions and/or (2) radiation, nuclear reaction, or radioactive substances or conditions; and/or (3) any other toxic, irritant, pollutant, or waste gases, liquids, or solid materials shall not exceed \$100,000 in the aggregate except for injury or loss caused by the sole negligence or willful misconduct of Dames & Moore, its agents or subcontractors.

2.4 Dames & Moore's liability for injury or loss arising from comprehensive general and automobile liability shall not exceed \$500,000 in the aggregate.

2.5 Increased liability limits may be negotiated upon client's written request, prior to commencement of services, and agreement to pay an additional fee.

2.6 The Client agrees to defend, indemnify, and hold Dames & Moore harmless from any claim, liability, or defense cost in excess of limits determined in paragraphs 2.3 and 2.4 above for injury or loss sustained by any party from exposures allegedly caused by Dames & Moore's performance of services hereunder, except for injury or loss caused by the sole negligence or willful misconduct of Dames & Moore, its agents or subcontractors.

2.7 In the event the Client makes a claim against Dames & Moore, at law or otherwise, for any alleged error, omission or other act arising out of the performance of its professional services,

and to the extent the Client fails to prove such claim, then the Client shall pay all costs, including attorney's fees, incurred by Dames & Moore in defending itself against the claim.

**DAMES & MOORE
STATEMENT OF
PROFESSIONAL STANDARDS**

Dames & Moore warrants that its services are performed, within the limits prescribed by its Clients, with the usual thoroughness and competence of the consulting profession, in accordance with the standard for professional services at the time the services are performed.

Dames & Moore will provide a person or persons having adequate technical training and proficiency for the scope of the assigned work.

Dames & Moore will exercise due professional care in the performance of assigned work and the preparation of reports.

Dames & Moore will provide adequate supervision for assistant staff members.

Dames & Moore will provide adequate internal controls for the review of work products.